The Second Coming of Age

Understanding Baby Boomers ... and How to Cater to Them

By taking stock of boomers’ unique aspirations and behaviors, consumer-facing companies can better serve this flourishing and wealthy generation with more timely and relevant offers that address its changing lifestyle needs.
Executive Summary

Consumer goods companies have traditionally sought to conquer the 18-34 market, believing that winning early would mean winning often for the rest of a consumer’s long life. That trend has led to companies’ recent obsession with millennials, the largest-ever cohort of the 18-34 demographic. While millennials are important, we would argue that baby boomers – the 50-70 demographic – are equally so. Facing new challenges, fears and freedoms never experienced before in their lives, boomers are upsetting what has been seen as a continuous model of consumer behavior. They are reconsidering the kinds of purchases they want to make, remodeling their homes and rethinking how they spend their time. Those behaviors require new models of marketing and thinking about approaching boomers, especially in a world where they engage increasingly with technology at every step.

This white paper provides an introduction to boomers and the big opportunity smart companies can grasp, if they start focusing just as much on the “second coming of age” as the “coming of age.”

Eyes Not on the Prize: Prioritizing Millennials over Boomers

We live in a society that privileges youth – or at least a society whose marketers do. For the better part of a century, marketers have made youth their core demographic, competing on all fronts to win coveted 18-to-34-year-olds around the world. That has led to an overemphasis on youth in marketing strategies, with 500% more advertising investment in youth than in any other demographic, despite it accounting for less than one-third of the population. The current obsession with millennials, which has produced countless articles defining who they are, how they think and what they want, is just the most recent incarnation of this craze.

Targeting youth has been driven by a simple rationale: If companies can win over consumers when they are young and developing their preferences, the hope is that they will be loyal buyers for a lifetime. Coming of age, the first period of independence in consumers’ lives, when they begin to make buying decisions for themselves, has thus been the Holy Grail for marketers.

In the wake of the financial crisis, some are now questioning the relevance of marketing to youth with little cash to spend. Unfortunatel, the market’s obsession with youth has left it blind to opportunities for growth with other demographics, especially those over 50. Baby boomers – the generation born between 1946 and 1964, and once the largest generation on Earth, with about 76 million people in the U.S. alone – have been nearly entirely overlooked. The only exception is when marketers focus consciously on age-oriented products: incontinence treatments, emergency devices, anti-aging cream, Viagra, etc. Most companies have dismissed baby boomers as an unattractive demographic with little potential upside, and brushed them aside into the blanket category of 50-plus.

Yet it makes perfect sense for marketers to pay more attention to boomers. Savvy companies
are beginning to notice the sizeable wealth that baby boomers have accumulated throughout their lives. They’re the wealthiest generation in history, owning roughly 70% of the wealth in the U.S. Not surprisingly, they spend more than any other demographic in an astonishing 94% of consumer goods categories, accounting for 50% of all dollars spent on consumer goods in the U.S. And they’re set to inherit $15 trillion in the next 20 years. Though the savings of many were hurt by the financial crisis – and many now plan to work past the age of retirement – they maintain a vast amount of wealth in their homes and savings.

But baby boomers’ value for businesses lies in more than their wealth. Our many studies’ into boomers’ lives, aspirations and behaviors show that reaching middle age and later life is inducing this generation to take stock of their lives, leading to major purchases and new lifestyles that they then stick with. Their willingness to reshape their lives and reinvent themselves makes them ideal target consumers for many industries, from automotive to consumer goods and wellness. The changes they make are not short-lived trends, but stable shifts, grounded in the way that boomers have grown up and aged, as well as how they see themselves and their roles today.

Yet unlocking boomers’ potential requires an understanding of their experiences as they reach middle age and later life that is deeper than the one most companies have, based on focus groups or big data analytics. It demands diving into what it means to be a boomer today and what they aspire to tomorrow.

Based on our insights into baby boomers’ lives, this white paper makes a case for the deep behavioral reasons why this generation should be a target for companies, and it also explores the new boomer market opportunities that are emerging in a more digital world. When we combine boomers’ wealth and their willingness to reinvent themselves in older age, it’s easy to see how we should focus on the aging boom.
Part 1: Understanding the Opportunity in Baby Boomers

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As companies question the inherent value of millennials, baby boomers have become a natural focus. On top of the wealth that they have already accumulated - and stand to inherit - boomers tend to live longer and spend more, with life expectancy in the U.S. an average of five years longer for baby boomers than for people half a century ago. Those added years translate into rising expectations for staying active and enjoying a healthy life beyond the age of retirement, and a new vision for what later life can hold. And while that also means that the wealth boomers have accrued needs to last longer, they go into retirement in much better stead than the generation before. In the UK, for example, the rate of retirees living in poverty has decreased from 50% in the early 1990s to 15% percent today, lower than the poverty rate for working-age adults.

Companies that target boomers are doing so with incremental "aging-friendly" adjustments to their portfolios. Companies have discreetly enlarged font sizes on packaging to make them more old-age-friendly, and taken out certain colors that are harder on old eyes. Even Depends has rebranded its adult diapers as “underwear” and uses models in their 50s to make customers feel more comfortable about wearing them every day. But such changes are little more than superficial fixes to existing products, and do not show a deep understanding of the needs and experiences of today’s boomers.

Based on our baby boomer research, we believe that companies have been unable to capitalize on the boomer opportunity because they have not fully understood what aging means. Those who focus on coming of age see consumer behavior as static after youth, with behaviors and preferences decided early on. But baby boomers’ aging is so interesting precisely because it upends that assumption. More than just another profit pool, baby boomers face a new stage of great change in their lives, both positive and negative. As they reach older age, boomers are reassessing, resizing and reshaping their lives - and that means major purchases and new directions for their consumption in later life. Many companies that target boomers have not been successful because they have shied away from big bets, sticking to incremental offerings. Success with boomers requires complete portfolios of products and services that help boomers relish the next phase of their lives - one they have been eagerly contemplating for decades.

When viewed en masse - with one boomer turning 60 every 7.5 seconds - this presents an enormous opportunity. We call that opportunity the “second coming of age”: creating and catering to new behaviors that arise from the freedoms, opportunities and anxieties associated with entering later life - empty nesting, retirement and aging.

Based on our insights into human behavior, we believe that the second coming of age is not only a valuable opportunity, but also a necessary one for companies to stay relevant with the huge market that baby boomers represent worldwide. What follows provides insight into:

- Why the of aging is such a pivotal moment in baby boomers’ lives.
- How it is already impacting consumer behavior and major industries.
- How to capitalize on the true opportunity boomers represent.
The Second Coming of Aging: A Moment of Reflection and Behavioral Change

The second coming of age offers a new opportunity for businesses because of the eagerness for change it injects into baby boomers’ lives. Nearing retirement offers boomers newfound freedoms, like more flexible working schedules and less responsibilities towards their children, liberating them from many former constraints. Boomers can reshape their houses to meet individual lives, they no longer need the minivan for driving a family around, and they can plan their lives around themselves, rather than work or the whole family. Having available time itself often presents the biggest opportunity. Boomers are suddenly able to chart a new course for their later lives, engaging in new hobbies and defining lifestyles that they hope to carry through for many more years. These new opportunities may even come as a surprise to some. As one baby boomer recently told us, “[Retirement is] just different from how I imagined it would be. I never imagined it would be so good, to be honest.”

At the same time, the second coming of age is riddled with anxieties for many baby boomers. They respond to the potential irrelevance and idleness of retirement with feelings of angst, uncertain that they will be able to remain the active, engaged members of society they have been for so many years. It also requires a reassessment of their relationship to their partners, children and friends; what they care about; and how they want to spend their remaining years. Such reassessment is often accompanied by real, dramatic changes in people’s lives: The 2010 U.S. Census showed that the divorce rate among seniors, so-called “gray divorce,” has risen 42% since the 1990s. Meanwhile, boomers are staying in their jobs longer, with the average retirement age already increasing two years between 2010 and 2013. Add to that the suddenly very real concerns for health and wealth that many boomers face as they age, and you have the makings of an existential crisis. It’s no surprise that a boomer whose pension company wrote him about his retirement – at the premature age of 59 – felt the letter was like “a kick in the stomach.” As this comment suggests, many boomers fear the jarring impact that aging brings and are not ready to reassess their lives.

Yet the scale of change that the second coming of age brings also makes it an indelible moment in the consumer behavior of baby boomers. We have seen how taking advantage of new freedoms and opportunities, and taking on the new anxieties that accompany the second coming of age, leads many boomers to realize long-held dreams, double-down on existing hobbies, and discover new passions and routines. While the conventional wisdom has held that boomers’ brand preferences and purchasing are static (i.e., they are the end of the “coming of age” model), the desire to realize old dreams and discover new ones means new purchasing habits and an openness to explore new brands. For companies targeting boomers this means big business, as actualizing their dreams requires:
• **Major purchases:** Hoping to live their remaining years as they always wanted, boomers are eager to renovate or replace their homes, upgrade their cars and update their technology - sparing no expense to do so. These purchases are not simply downsizing, but often investing more into the same class of goods. They are also often doing the same for adult children who can’t afford to do so on their own. Helping boomers achieve these larger-than-early-life dreams amounts to high-investment opportunities for businesses.

• **Lifestyle shifts:** Boomers are also making significant shifts to their lifestyles, as they aim to live life to the fullest and for longer. Such new lifestyle behaviors include eating healthier foods; developing routines around exercise and training; traveling more often and more broadly; and joining new clubs, seminars and networks. While the unit price of each of these purchases (e.g., a new pair of adidas running shoes) is not high on its own, the shifts amount to a large volume of business in the long term if businesses know how to enable the lives boomers want.

More than mere trends or random purchasing patterns, there are strong behavioral reasons for baby boomers to change their purchasing patterns during the second coming of age. That in turn means a lasting opportunity for businesses that choose to target aging in a serious way:

• **First, psychologists recognize the second coming of age and accompanying retirement as a time when people's long-standing identities are being called into question,** a developmental phase that closely resembles the coming of age, especially in a society where work has become a marker of identity. Leaving work leads to questioning identity and self-worth, and losing motivation and aspiration. Purchases big and small represent ways to reshape and confirm one's identity in a lasting way.

• **Second, behavioral scientists know well that long-term desires and risks (e.g., cancer from smoking) are unlikely to change behaviors,** whereas near-term impacts are more likely to influence behavior. But in aging, boomers come face to face with precisely the issues that behavioral scientists would write off as too long-term. With risks right at their door, boomers are encouraged to act quickly to right any wrongs and build habits for saving, exercising or anything else they must adhere to. That means quick changes in consumer behavior, with lasting consequences. We have even seen these new behaviors trickle down to millennials: In one study, we found that boomers who adopted organic foods encouraged their adult children to do so as well.

• **Third, not only do boomers have greater impetus to change behaviors, they are also more likely to adopt additional new behaviors.** Behavioral scientists have observed that people who change one habit find it easier to change other habits, which makes it more likely they will do so. The one or two risks that may spur boomers to action can translate into the development of new habits throughout their lives. For businesses, that presents an opportunity to address a whole new range of behaviors that boomers will adopt.

Aging and retirement are momentous events in people’s lives, and there are numerous opportunities for companies to influence boomers’ consumer behavior and help them through a transition that is both exciting and anxiety-inducing - and leads to a long life afterwards. All told, the second coming of age means serious business for companies who can help baby boomers live later life to the fullest.
Part 2:
Catering to Baby Boomers in Their New Worlds
Addressing the second coming of age requires more than “senior-proofing” offerings, enlarging text or adapting customer service to boomers’ desires. It demands rethinking your offerings to help boomers in the process of realizing their dreams, calming their anxieties about aging and retirement, and developing enriching, engaging experiences for years to come. Doing so demands a rigorous understanding of how boomers experience the world today.

Our studies have revealed insights into how boomers live their lives and the offerings that excite them. As boomers reassess their lives, they look to find ways to remain active, engaged, relevant to society, and healthy – as far from being “old” or “retired” as they can be. That regularly means looking for new social opportunities, whether reconnecting with family and friends, meeting new people who share their interests or participating in organizations that support causes they care about. They are even keen to build strong relationships with sales staff. In the same way, they are excited about the opportunity to take advantage of their hard-earned freedom by exploring more of their hobbies and traveling more often. Anything that helps boomers chart a new path is welcome as they reconsider how they want to spend their later lives.

These benefits are intuitive and may seem basic; what is harder to do is put them into practice. Though boomers do reconsider and adjust their behaviors as they age, they still have a lifetime of experience and long-standing habits into which these offerings must find a way of fitting. Complicating factors for boomers include:

- **A strong sense of self:** Though they begin to redefine their lives, there is only so far boomers can stray. Most know who they are and how they behave, and what they like and don’t like. That makes them less likely to sway with trends than millennials and more likely to remain focused on interests they have held for some time. It also means that they are less likely to give in to social expectations, creating sometimes-puzzling behaviors for marketers. As one boomer told us: “You have to relax – that’s what happens in middle age... It’s about independence and being free. Being free of thinking I have to be something or somebody else.”

- **A desire to be busy:** Boomers have aged in an era that privileges busy schedules, and they don’t expect that to end with retirement. Indeed, many never want to slow down. Our studies have shown this time and again: Whether using DVR to mold TV watching to their schedule, making evenings more productive by expanding their cooking skills while they read online and (passively) watch the news, or using banking apps 10 times per day to keep a precise tab on their finances, boomers expect offerings to fit their lives, not vice versa.

- **A demand for unique products:** Boomers have spent their lives accumulating wealth, but they have also accumulated lots of stuff. Many already have most of the things they want, and are now focused on living life to the fullest. As a result, they are very discerning consumers who are most engaged by unique products of high quality, upgrades to homes and cars that better reflect their personalities, and experiences and narratives around products they already like.

On the whole, appealing to boomers requires providing benefits such as relevance and engagement in ways that are highly specialized to each individual consumer, what they like and how they engage with the world. That may require a level of personalization even higher than for millennials.
In the premium spirits market, producers could see that younger groups had strong relationships with their brands while boomers’ interest was lackluster. Boomers were buying premium in other categories of consumer goods but not in spirits. Driving BMWs, filling the fridge with organic and enjoying luxury holidays, but stocking their liquor cabinets with mainstream brands. Boomers’ behavior was perplexing. And so, how were premium spirit brands going to attract boomers?

Working on behalf of Pernod Ricard, ReD Associates spent time with boomers across Europe to understand their lives and how they interacted with alcohol. What does it mean to socialize as a baby boomer? And how do boomers relate to premium and luxury goods? We could see that across economic divides the group shared the aspiration to enjoy life while they still could, often using their wallet to do so. When it came to spirits, however, there were two key barriers that created disconnect between boomers and premium offerings:

- **First, the brands failed to speak to boomers and their lives.** Either they played on youthful insecurities around being fun, social and attractive, or they used master connoisseur spokespeople who were perceived as pretentious and overly technical. Neither kind of messaging resonated with boomers, who wanted to share spirits in an unpretentious way.

- **Second, boomers were exposed to spirits in contexts that failed to display them in a revered or sophisticated manner.** Boomers were more likely to frequent casual, local bars where beer and wine were the focus, not spirits or cocktails. And in supermarkets, the spirits were presented in a very basic, price-focused manner with little accompanying flair – just another bottle on the supermarket shelf. Unlike the cheese or meat counter, there were no staff in the spirits aisle to guide boomers through the overwhelming amount of
choice, to trust as an authority and to provide a story around the product. Coming into contact with spirits in environments that did little to bring spirits to life, boomers found it difficult to appreciate the difference between brands and the value of spirits more generally.

A generational association between spirits and alcoholism further complicated these barriers. When we visited the boomers in their homes, we found that while they were happy to leave their bottles of wine on display, the spirits would be hidden away in cabinets and literally behind curtains. Boomers were self-conscious of their spirits consumption and the unhealthy image they associated with it, despite being comfortable with drinking wine and beer.

From these insights, Pernod Ricard discovered that their communication to boomers made their premium products unapproachable due to pretension, or being unappealingly “sexy.” Instead, their products needed to find a way to help boomers enjoy life through sharing them in a social, adventurous and healthy atmosphere. And their premium quality goods needed to be entertaining and approachable, not stuffy, too sleek or overly pretentious. That pointed them to opportunities to build informative, social experiences around their products to engage consumers - experiences that are brand-boosting touch points.

For any company in the consumer goods category - and especially in a premium segment - catering to baby boomers means delivering more than just a product. It demands engaging boomers where they are in their lives and giving them new experiences, personalized information and opportunities to share.
Part 3: Boomers in a Digital World
Delivering these benefits is yet more complicated in the digital era. Contrary to popular stereotypes of boomers as technophobes, they are avid tech users, spending more time on technology than any other generation, and accounting for roughly one-third of all online and social media share. And technology is increasingly a part of their sense of self: They associate technology with freedom more than any other generation.

But in our studies, we have seen distinct differences between boomers and other generations, and within the boomer demographic itself, in terms of how they relate to and use such technology, notably in how they:

- Adopt and integrate technology into their behaviors.
- Communicate online.
- Connect digital and analog.

This means that companies that are acting upon the extent to which boomers use technology cannot assume that the same digital strategies and solutions they implement for millennials will work for boomers.

Adopting and Integrating Technology into Boomer Behaviors

We know from previous studies that boomers, unlike millennials, find it difficult to adjust their behavior to fit around technology. For example, few of them use their smartphones to pay their supermarket bill at checkout; perceiving the smartphone as a digital wallet does not come that naturally. However, they will happily buy into devices and applications that support or enhance their existing behaviors. Though they might not pay with their phones, they will eagerly use banking apps to check their statements. In fact, nearly a quarter (over 15 million) of U.S. baby boomers used mobile phone banking in 2014. Checking a bank statement on a mobile screen is a natural progression from checking the same information on a computer screen.

Boomers will be quicker to adopt digital devices and solutions that fit with their existing model of how they approach activities. It’s no surprise that the people who bought into Amazon Echo early on – the voice-activated home speaker that can track your package, read you a recipe or order you an Uber – skew older than what we normally see for early adopters. It’s a device designed for multitasking in a user-friendly, voice-activated way. Those designing for a boomer audience would do well to understand how boomers’ perception and use of technology differs from younger users.
Communicating and Sharing Online

We have observed a strong differentiation between how boomers communicate online compared with other demographics, and even within the demographic itself. We have recognized two archetypes of boomer social media users: digital “residents” and “seekers” (see Figure 2).

For residents, social media is a natural avenue for staying connected with friends and family. They feel comfortable sharing personal information and they are happy to endorse mainstream brands that they like, even more so than millennials. But for seekers, social media provides a means for developing professional contacts or finding romantic partners. Their online persona is carefully curated and they are unlikely to endorse anything unless it is a perfect match with their online image. Their self-consciousness and self-misrepresentation make them difficult targets for brands.

Both of these archetypes differ significantly from other demographics, proving that more careful examination of boomers’ online communication and relationships is necessary to target them effectively.

Boomers’ Interplay Between Digital and Analog

We have observed how boomers weigh digital and analog relationships with retailers in different ways than other generations, especially millennials. While much discussion around omnichannel strategies in retail is targeted at digitizing the purchase experience for millennials – even in-store – our studies show that boomers still value human service in addition to digital offerings. Boomers will happily spend hours researching online before making a purchase, but they are likely to turn to a physical store to seal the deal or learn more, heavily valuing their own instincts and those of experts.

In one of our studies, a boomer could go through with a purchase only with expert advice: He went to “an actual camera shop to run my research off of a pro and make sure that I was making the right decision ... a safari is a once-in-a-lifetime sort of thing, and I didn't want to make the wrong decision.” Another boomer turned down discounts on buying a computer from an online retailer for the better customer service he could expect in-store. Digital may drive leads with boomers, but they look to expertise and real in-store service to be fully convinced of offerings.

Trying to engage boomers today means finding ways to deliver upon their expectations and interests through both digital and analog means that speak to them.

The Two Boomer Social-Media Archetypes

Seekers:
Curate digital self to make new connections.
Network is big and includes strangers.

Residents:
Express real self to solidify old connections.
Network is small and well-known.

Figure 2
Digital may drive leads with boomers, but they look to expertise and real service in-store to be fully convinced of offerings.
Part 4: Seeing Baby Boomers’ Impact: Industry by Industry
In the housing market, baby boomers are spending to build their new lives. The children have left home, substantial portions of the mortgage have been paid off and boomers are keen to buy or renovate the perfect home for their retirement. For most, especially younger boomers, this is not a matter of downsizing (nearly 80% of the 55-plus group want the same or a bigger size home\(^9\)) or retrofitting their homes in anticipation of their needs in old age. Rather, it is the chance to indulge in the kitchen they always dreamed of or the opportunity to move to a more desirable area of town.

According to a survey of 1,000 boomers, 57% of them plan to move out of their current home, and 70% believe the house they retire in will be the best they ever lived in.\(^{20}\) Home appliance manufacturers stand to benefit if they can understand what boomers want, as boomers are already spending around $92 billion a year remodeling their homes.\(^{21}\)

Pension and insurance providers must cater to the particular needs of their boomer customers. These consumers are in a period of their lives when they are likely to lose some sense of control, and face decreasing responsibilities and increasing uncertainty regarding their health and financial situation. Being able to reassure customers is crucial for those helping boomers plan their futures. One study respondent noted: “I wanted order in my life and my pension arrangements, and to collect all of them in one place. It is about being prepared so I won’t lose the overview before it is too late.” Successful companies will provide clarity, create a sense of customer agency and demonstrate a genuine desire to look out for customers’ interests, communicating that sense of security to their customers. By understanding these nuances of what it means to get older, a client of ours, a Nordic pension provider, was able to reduce customer attrition by 80% over two years.

Healthcare faces a challenge with boomers – but also opportunities to take advantage of their willingness to use digital technologies. Boomers will create high demands on the industry, and they have high expectations. In our recent study about life in long-term care, we met a marketing director who explained that her industry must “brace for the discerning baby boomers!” Demanding boomers expect support to maintain their lifestyle in their later years, as well as more personalized care. However, both acute and long-term care providers stand to benefit from boomers’ willingness to adopt new technologies such as tele-health, mobile-health services and wearable monitoring devices. Such digitalization of healthcare is widely considered to both cut costs for providers and improve services for patients.\(^{22,23}\) Those who can respond to boomers’ needs and competencies will likely gain market share and be able to charge premiums for the value they add.

We can already see signs that baby boomers are having a huge impact on the industries which the second coming of age touches directly – where they can see immediate potential to reshape their lives. Boomers have injected new demands (and much-needed dollars) into many of these key industries; some savvy companies have already begun to address their demands, with other industries ripe for disruption. The following represent some of the biggest areas where the impact of boomers can already be felt:
Understanding what boomers are looking for — and offering features and upgrades that will appeal to this demographic without putting off younger buyers — will help manufacturers gain market share, with this age group buying the most cars and spending the most for their new vehicles.
The automotive industry has begun to acknowledge that there is value in considering the desires of boomers for their vehicles. Toyota recently experimented with a sports wagon, the Venza, marketed as exclusively intended for the boomer generation. While the marketing portrayed active boomers, the model itself focused on accessibility and functionality for the aging boomer rather than tapping into the aspirations they have for their cars. As a result, the Venza is no longer in production. Boomers search for cars that reflect their personality, and this is impacting the automotive industry, as boomers often make unexpected purchasing decisions. In a recent study, a respondent told us, “I’ve had the Jags, the fast cars...made an impression, you know? I’ve done that now. And when it came to it I just thought, bollocks, let’s get a Mini.” Boomers are growing out of their need for their cars to show off their social status. While boomers are still looking for quality, many of these consumers are looking for smaller, convenient and fun options. Understanding what boomers are looking for – and offering features and upgrades that will appeal to this demographic without putting off younger buyers – will help manufacturers gain market share, with this age group buying the most cars and spending the most for their new vehicles.

In consumer goods, boomers are also having a huge impact. McKinsey estimates that boomers will be the biggest contributors to U.S. spending growth in categories such as food (92%), housewares (73%) and apparel (56%) over the next five years. Boomers clearly have significant spending power. We have seen that they are willing to explore beyond brands that they know and that they seek experiences beyond products. They have built up narratives about why they like what they like, and they are willing to invest time and money to deepen their knowledge and appreciation of luxury goods. As a respondent in a recent study explained, “I’ve settled on my brands ... But if I went to a tasting, or someone gave me a strong recommendation, I’d try something new.” It is also clear from our studies that boomers are willing to spend to enjoy experiences around luxury products. Asked about the opportunity to try premium whiskeys with his friends, another respondent told us, “I’d pay a hundred bucks for that!” There are business opportunities in offering social and educational experiences around luxury products and driving customer growth through these experiences.

These are just some of the implications for industries as boomers turn to this new life stage. There will be significant opportunities for those companies that invest in understanding boomers and how to support the lifestyle choices they want to make.
Looking Ahead: Start Seeing the Baby Boomer Opportunity for Your Business

Our studies have identified clear ways that organizations can adapt their marketing and offerings in order to capture the second coming of age. The following represent key steps that can be taken to better target boomers and help them tackle later life head on:

• Create offerings that help baby boomers live out their dreams. Boomers are looking to live out their dreams in their remaining years, especially when it comes to their major purchases. Offerings that are easy to customize and perfect make it simpler for boomers to realize their dreams – something for which they are willing to pay more. Such offerings will not only include more customizable, premium products, but will come with thorough service that helps boomers define and actualize their dream, often only a vague idea before they come to the purchase.

• Develop total offerings that help baby boomers take on change. Capturing the lifestyle shifts that boomers turn towards in older age – changes like healthier eating, more exercise and hobbies – requires going beyond adjusting advertisements or developing a boomer-specific product or two. Companies can take full advantage of the second coming of age by developing total offerings that connect several products, services and related experiences targeted to help boomers adjust to later life or build and sustain their new behaviors. Total offerings provide solutions to the root challenges boomers face, rather than denying them.

• Create worlds around your offerings that keep boomers active and social. Boomers are eager to remain relevant and make a difference in later life. Even psychologists agree that social interaction is a key indicator for happiness in later life. Creating in-person meet-ups, online discussions and interactive tools around your organization’s offerings gives boomers a forum to deepen their interests, meet people who share them, and feel relevant and social – which will lead to deeper engagement with your products.

• Understand the interplay between baby boomers’ digital and analog lives. Boomers are steeped in technology, but also appreciate...
the human touch of customer service. And with many of their behaviors, preferences and past purchases coming from the pre-digital era, companies need a deeper understanding of the way boomers operate in both the digital and analog worlds - and, especially, the interplay between them. This will enable you to define the best channels by which to target them, make the best use of customer service dollars and determine how to develop offerings that engage them online and offline.

- **Rethink your organization to more effectively target baby boomers.** Many companies’ biggest issue in targeting baby boomers is mentality: Their staff is not interested in them or too young to understand them. Developing a unit or line of offerings focused on baby boomers - with at least some staff who are boomers themselves - will force your organization to take understanding boomers seriously, and enable the development of more detailed segmentations and relevant offerings.

**FOOTNOTES**

1. static.turn.com/files/2016/07/06/turn_millenial_report_sp_hi_res.pdf
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Previously, Filip was a partner at two of Copenhagen’s largest design consultancies and has written on design’s role in contemporary society for *Surface, Wallpaper, Review* and *Idea*. Filip’s book, *The Globalists*, is a reported and sociological take on globalization through the lens of industries as diverse as container shipping, haute couture and renewable energy. Hailing from the Danish island of Bornholm, Filip has an MA in sociology from the University of Copenhagen and has taught politics there as a visiting professor at the Institute for Political Science. He is also special advisor for one of the world’s leading boutique design studios, OeO. He can be reached at Lau@redassociates.com | https://dk.linkedin.com/in/filiplau.

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ABOUT RED ASSOCIATES AND COGNIZANT DIGITAL WORKS
ReD Associates and Cognizant have formed a strategic partnership where strategy experts, behavioral economists, anthropologists, sociologists and ethnographers from ReD Associates work with digital strategists, designers, technologists, and data scientists from Cognizant Digital Works™ to help businesses connect more closely to real-world consumer behaviors and experiences.

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Today a convergence of new technologies – automation, the sensor-enabled world, AI, platforms, 3-D printing, etc. – as well as shifting demographics, expectations and regulations, are creating a context for a new age of business. Cognizant Digital Works brings together digital strategy, deep industry knowledge, experience design and technology expertise to help clients design, build and run digital business solutions. For more information, please visit www.cognizant.com/digital or join the conversation on LinkedIn.

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